



**Second Meeting  
October 12, 2010  
Minutes**

**Via Teleconference**  
U.S. Department of Commerce  
Washington, DC 20230

**Members Present:** Steve Case, *Revolution (Co-Chair)*, Mary Sue Coleman, *University of Michigan (Co-Chair)*, Desh Deshpande, *Sparta Group, A123 Systems, Sycamore Networks (Co-Chair)*, Tom Alberg, *Madrona Venture Group*, James Andrew, *Boston Consulting Group*, Tom Baruch, *CMEA Capital*, Claude Canizares, *Massachusetts Institute of Technology*, Curtis Carlson, *SRI International*, Robin Chase, *Meadow Networks*, Marcelo Claure, *Brightstar*, Michael Crow, *Arizona State University*, Ping Fu, *Geomagic*, Christina Gabriel, *Carnegie Mellon University*, Barron Harvey, *Howard University*, Krisztina Holly, *University of Southern California*, Ray Leach, *JumpStart*, Ken Morse, *ESADE Business School*, Michael Roberts, *The Roberts Companies*, RoseAnn Rosenthal, *Ben Franklin Technology Partners*, Carl Schramm, *Kauffman Foundation*, Holden Thorp, *University of North Carolina at Chapel Hill*, Charles Vest, *National Academy of Engineering*.

**Members Absent:** G.P. "Bud" Peterson, *Georgia Institute of Technology*, Jeffrey Wadsworth, *Battelle*

**Administration Officials Present:**

**Department of Commerce:** Assistant Secretary of EDA, John Fernandez, Director of NIST, Patrick Gallagher, and Under Secretary of USPTO, David Kappos.

**Small Business Administration:** Sean Greene

**Staff:** Paul Corson, Sue Liu, and Nagesh Rao

**Public Attendance (via teleconference): Approximately 20 callers listened in.**

The National Council on Innovation and Entrepreneurship (NACIE) convened in open session via a teleconference call at 3:00PM with Steve Case, Mary Sue Coleman, and Desh Deshpande presiding on October 12, 2010.

**Agenda Item 1: Welcome and Opening Remarks by Department of Commerce Senior Officials**

Paul Corson called the meeting to order and introduced Director Gallagher and Assistant Secretary Fernandez.

Director Gallagher thanked Co-Chairs Desh Deshpande, Mary Sue Coleman, and Steve Case, acknowledged their contributions, and praised the group's decision to convene its second meeting so quickly. He mentioned the importance of innovation to maintaining a manufacturing base and encouraged the Council to coalesce around "big tent innovation" to address public needs. Director Gallagher also encouraged the Council to dive deep on priority issues only after considering the full range of issues impacting the nation's innovative and entrepreneurial capacities. Assistant Secretary Fernandez echoed similar sentiment, after which the meeting was turned over to the co-chairs.

**Agenda Item 2: Opening Remarks by the Three Co-Chairs**

Steve Case acknowledged the quality and range of ideas expressed during the first meeting and then encouraged the Council to turn its focus on achieving specific, tangible objectives related to capital, collaboration, and celebration. Mary Sue Coleman echoed Steve's comments, encouraging the Council to focus on realistic goals in pursuit of positive impacts. Desh Deshpande focused on the need to balance a large vision with realistic objectives, and encouraged Council members to be creative and comprehensive in offering ideas.

**Agenda Item 3: Open Discussion on NACIE's Strategic and Operating Plan, as well as the Composition and Focus of NACIE's Subcommittees:**

The ensuing discussion was wide ranging and comprehensive with free flowing opinions and ideas offered by many Council members. Members were encouraged to focus on the Council's general strategy, a framework for subcommittees in light of overarching strategic initiatives, and the potential power of the "bully pulpit" when used to draw attention to a subset of issues culled after a broader review.

Members offered initial support for the creation of three subcommittees based loosely on issues related to capital, collaboration, and celebration. RoseAnn Rosenthal suggested viewing the subcommittees through the lens of entrepreneurial culture. Several other members discussed the importance of a goal-oriented approach, success measures, and consideration of issues such as

immigration and tax policy. Potential priorities could include establishing entrepreneurship mentoring programs and removing regulatory barriers, although neither of these would be without their challenges.

Robin Chase cautioned that many important issues, such as those related to open source products and services, energy, and spectrum policy, may not fit squarely into the capital, collaboration, and celebration buckets. This led to broader discussion on numerous issues, such as trade, regulatory barriers, Sarbanes Oxley legislation, intellectual property, manufacturing, commercialization of federally funded research, gap funding, sharing of best practices and models, and existing Government initiatives, such as the Regional Innovation Acceleration Networks initiative. Members also raised NACIE's core function and any resources NACIE may have access to or authority over.

To focus the iterative process, Tom Alberg suggested that each Council member draft a one page document that indicates their first and second subcommittee choices, and discusses 1-3 issues or proposals that should be considered by the subcommittees. The documents would then be distributed to all the members, allowing them to see the range of member ideas in context. The members could then make a more informed judgment regarding the specific focus and goals for each subcommittee. This recommendation ultimately received consensus agreement.

Conversation next turned to a discussion about a contextual measure through which to develop and implement the Council's activities. Tom Baruch suggested that measure should be domestic job creation, for which there was general agreement. Carl Schramm mentioned analysis that suggests jobs creation is a direct function of the velocity with which companies are created and then scale. This generated several questions and general discussion about the research and analysis.

#### **Agenda Item 4: Next Steps and Concluding Thoughts**

In closing, the co-chairs requested that the meeting notes and framework for the one-page document be distributed among the members. Members were asked to submit their documents to the Department within approximately two weeks, at which time, they would be consolidated and then distributed en mass to all the members.

The meeting was adjourned at 4:30pm.